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SUBJECT: Increased Estimate for New Building Construction

1. On 13 April Mr. Manser from the GGA Headquarters Budget Office called to inform me that additional funds would be needed for Building Construction in Fiscal Year 1962 due to change orders. When I questioned Mr. Manser about their budget estimate and reminded him that I had recently been assured that they were "living within" the original estimate and would require no increase, he stated that they had not checked with the Third Regional Office and that he received his estimate data from Mr. Palmer, GGA architect for the job.

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- 2. I informed of this development and requested to get in touch with Mr. Palmer's office.
 On 18 April informed me that Mr. Palmer and Mr. Hunder, Assistant Commissioner of Public Buildings, were "looking into" the matter.
- 3. I have also informed the BOB analyst, Don Smith, in view of our earlier commitment to "save" \$2.3 million out of these funds. I will mention this also to Colonel White at our next meeting, since the additional \$775,000 which Mr. Manser originally mentioned would require dipping into the \$2.3 million reserve.

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Chief, Analysis Branch #3 Budget Bivision

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(18 April 1962)

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